

UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF WISCONSIN

In re: Jennifer & Israel R. McKinney

Case No. 22-11558-13

Debtor(s)

TRUSTEE'S RECOMMENDATION OF AMENDED CHAPTER 13 PLAN and AMENDED SCHEDULES

Mark Harring, Standing 13 Trustee, by his attorney, recommends confirmation of the Amended Chapter 13 Plan and Request to Amend Unconfirmed Plan filed as Document #167 on 2/22/2024 together with Amended Schedules I&J filed as Document #148 on 10/20/2023 and states as follows:

1. Plan is amended to provide for plan payments of \$15,000/mo to continue for February 2024 through December 2024. Plan payments increase to \$21,000/mo starting in January 2025 and again to \$26,000/mo for the final 15 months of a 60 month plan. The amended budget supports the debtors' ability to make plan payments of \$15,000/mo and the debtors have been paying \$15,000/mo since 1/2023. We have been advised the future increases will be possible as the debtors' older dependents leave the household to attend college thus lowering high school tuition, health insurance and day to day household expenses. Schedule J indicates the debtors have 5 dependents ages 13 to 18 years.
2. Plan is amended to increase total attorney fees from \$25,000 to \$30,000. There is a notation that the amount will be subject to Court approval so we anticipate a separate Fee Disclosure will be filed.
3. Plan is amended to adjust treatment of the secured obligation due IRS with a balance of \$272,759.73, interest rate of 8% and equal monthly payments of \$4,452.53/mo. We note the most recent amended claim indicates a balance due of \$412,301.19 and the separate agreement with the IRS at paragraph 1 provides specifics as to the reduction of the filed claim balance to the \$272,759.73 amount. It is also the understanding of this office that IRS intends to amend the secured claim once more to reflect the \$272,759.73 balance. Section IIIB specifically indicates the debtors will continue to make the agreed payments to IRS once the plan term ends.
4. Plan is amended to reflect the direct payment of the secured obligation due Marine Credit Union from the sale of the debtors' homestead.
4. Plan is amended to acknowledge the \$83,406.07 priority claim filed by WDR. Plan also provides for payment of a priority debt due IRS, the plan states the amount at \$675,622.65. We note the IRS amended claim indicates a balance of \$675,299.61 which is the amount this office will pay unless the claim is amended further.

5. Plan is amended to include a series of Nonstandard Provisions highlighting the agreement between the debtors and IRS, particularly with regard to staying current on post-petition tax filings/payments and allowing for relief from stay should the debtors miss 2 consecutive plan payments and not cure those payments within 7 days of notification of the delinquency. As this is clearly an agreement between the debtors and IRS this office will not weigh in other than to indicate the Nonstandard Provisions do not appear to parallel the terms included in paragraph 4(a) of the separate agreement.

6. The filing of these documents resolves the 2/8/2024 Court Order as far as this office is concerned. A proposed Confirmation Order will be sent to the Court for signing.

Dated: February 23, 2024

Standing Chapter 13 Trustee

By: /s/Leslie Brodhead Griffith

Leslie Brodhead Griffith
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